

**FEDERAL ELECTION COMMISSION**  
999 E Street, N.W.  
Washington, D.C. 20463

RECEIVED  
FEDERAL ELECTION  
COMMISSION

2016 FEB 26 PM 1:19

**FIRST GENERAL COUNSEL'S REPORT**

**CELA**

**MUR: 6957**

**DATE COMPLAINT FILED: August 12, 2015**

**DATE OF NOTIFICATION: August 19, 2015**

**RESPONSE RECEIVED: October 19, 2015**

**DATE ACTIVATED: October 29, 2015**

**EXPIRATION OF SOL: March 2, 2020**

**ELECTION CYCLE: 2016**

**COMPLAINANT:**

Julian Dmitri Burger

**RESPONDENTS:**

Isadore Hall III

Hall for Congress and David L. Gould in his official  
capacity as treasurer, f/k/a Hall for Congress  
Exploratory Committee  
Inspiration and Hope for California (IH for CA)  
Ballot Measure Committee Controlled by Senator  
Isadore Hall and David L. Gould in his official  
capacity as treasurer

**RELEVANT STATUTES  
AND REGULATIONS:**

52 U.S.C. § 30101(2)(A) <sup>1</sup>

52 U.S.C. § 30103(c)

52 U.S.C. § 30125(e)(1)(B)

52 U.S.C. § 30125(e)(2)

11 C.F.R. § 100.72(b)(3)

11 C.F.R. § 100.131(b)(3)

11 C.F.R. § 102.2(a)(2)

**INTERNAL REPORTS CHECKED:**

Disclosure Reports  
California Campaign Finance Reports

**FEDERAL AGENCIES CHECKED:**

None

<sup>1</sup> On September 1, 2014, the Federal Election Campaign Act of 1971, as amended (the "Act"), was transferred from Title 2 to new Title 52 of the United States Code.



**I. INTRODUCTION**

The Complaint alleges that Isadore Hall III, a California State Senator, is also a candidate for the U.S. House of Representatives, and he violated the Act's "soft money" provisions when the state ballot measure committee he controls accepted a \$4,100 corporate contribution. Hall asserts that he did not violate the Act because he is not yet a federal candidate and is only exploring the possibility of a federal race.

As discussed below, the available information amply demonstrates that Hall has been a federal candidate since February 18, 2015, and that he and the state ballot measure committee he controls impermissibly accepted a corporate contribution after he became a candidate. Further, it appears that Hall's federal committee, Hall for Congress f/k/a Hall for Congress Exploratory Committee, failed to timely amend its Statement of Organization. Therefore, we recommend that the Commission find reason to believe that Hall and Inspiration and Hope for California (IH for CA) Ballot Measure Committee Controlled by Senator Isadore Hall ("Ballot Measure Committee") violated 52 U.S.C. § 30125(e)(1)(B), Hall for Congress f/k/a Hall for Congress Exploratory Committee violated 52 U.S.C. § 30103(c), authorize pre-probable cause conciliation, and approve the attached conciliation agreement.

**II. FACTUAL AND LEGAL ANALYSIS**

Hall became a representative in the California State Assembly in 2008 and won a special election to the California State Senate on December 9, 2014.<sup>2</sup> On February 24, 2015, Hall filed a Statement of Candidacy with the Commission for California's 44<sup>th</sup> district House seat.<sup>3</sup> He designated "Hall for Congress Exploratory Committee" as his principal campaign committee

<sup>2</sup> See <https://www.youtube.com/channel/UCGRADiRO2pCSeT4nj3afNUQ> (Isadore Hall YouTube Channel). See <http://www.latimes.com/local/political/la-me-pc-isadore-hall-state-senate-seat-20141209-story.html>.

<sup>3</sup> See [http://docquery.fcc.gov/cgi-bin/fecimg?\\_15950831939+0](http://docquery.fcc.gov/cgi-bin/fecimg?_15950831939+0) (Hall Statement of Candidacy).



1 (“Exploratory Committee”).<sup>4</sup> On January 14, 2016, the Exploratory Committee filed an  
2 amended Statement of Organization renaming itself Hall for Congress (“Federal Committee”).

3 The Complaint alleges that Hall controls a California ballot measure committee that  
4 accepted a \$4,100 corporate contribution from Anheuser Busch Companies, Inc., on March 2,  
5 2015, in violation of 52 U.S.C. § 30125(e)(1)(B).<sup>5</sup> The Complaint further alleges that two April  
6 2015 contributions to the Ballot Measure Committee — \$3,500 from Viejas Tribal Government  
7 and \$1,000 from Port PAC USA — also may violate the Act.<sup>6</sup>

8 The Response, filed in October 2015, acknowledges that Hall controls the Ballot Measure  
9 Committee but denies that he violated the Act because Hall is not a federal candidate and instead  
10 is merely “exploring” running for the House.<sup>7</sup> The Response explains that consistent with his  
11 exploratory phase, Hall maintains two campaign committees for the 2016 election, one federal  
12 and one state.<sup>8</sup> The Federal Committee “was [initially] established as an ‘Exploratory  
13 Committee’ and is so named” because Hall has not decided which office he will seek.<sup>9</sup> The  
14 Response also asserts that Hall will not be a candidate for either office until he decides and “files

---

<sup>4</sup> See *id.*

<sup>5</sup> Compl. at 3-4.

<sup>6</sup> *Id.* at 4.

<sup>7</sup> Resp. at 1.

<sup>8</sup> Resp. at 1. David Gould, the treasurer of Hall’s federal and ballot measure committees, and Hall appear to have filed a joint response.

<sup>9</sup> *Id.* The Commission’s records show that Hall’s Federal Committee has been in existence since June 20, 2011. The original Statement of Organization identified Hall as a candidate for California’s 35<sup>th</sup> District House seat. See Committee Statement of Organization. (Hall also filed a Statement of Candidacy in 2011 for the 35<sup>th</sup> House District in California.) At the end of both 2012 and 2014, Hall’s Federal Committee reported about \$67,000 in cash on hand. It appears to have collected most of its contributions shortly after registering in 2011 and then made some expenditures and contributions to other committees. Its reports show minimal activity in the 2014 election cycle.



1 nomination papers,” which will not occur until early 2016.<sup>10</sup> The Response reasons that because  
2 Hall is not a federal candidate, neither Hall nor the Ballot Measure Committee has violated the  
3 Act.<sup>11</sup>

4           **A. Hall Became a Candidate in February 2015 but Timely Registered as a**  
5           **Candidate and Disclosed His Committee's Financial Activity**  
6

7           Under the Act, “an individual who seeks nomination for election, or election, to Federal  
8 office” is a candidate and “shall be deemed to seek nomination for election, or election” when he  
9 or she receives contributions or makes expenditures in excess of \$5,000.<sup>12</sup> Once an individual  
10 meets the \$5,000 threshold, he or she has 15 days to designate a principal campaign committee  
11 by filing a Statement of Candidacy.<sup>13</sup> The principal campaign committee must then file a  
12 Statement of Organization within 10 days of its designation, *see* 52 U.S.C. § 30103(a), and must  
13 file disclosure reports with the Commission in accordance with 52 U.S.C. §§ 30104(a) and (b).  
14 Any change or correction in the information previously set forth on a Statement of Organization  
15 must be reported to the Commission within ten days of the change or correction.<sup>14</sup>

16           The Commission has established limited exemptions from the candidate thresholds,  
17 which permit an individual to test the feasibility of a campaign for federal office without  
18 becoming a candidate under the Act. Commonly referred to as the “testing the waters”  
19 exemptions, 11 C.F.R. §§ 100.72 and 100.131 respectively exclude from the definitions of

---

<sup>10</sup> Resp. at 1.

<sup>11</sup> *Id.* Alternatively, the Response suggests that if the Commission decides that the Act applies to the Ballot Measure Committee, Hall and the Ballot Measure Committee “will immediately stop soliciting and accepting any funds that are not fully permissible under the ... Act and will promptly refund any funds received during the period deemed to be subject to the Act.” *Id.*

<sup>12</sup> 52 U.S.C. § 30101(2).

<sup>13</sup> 52 U.S.C. § 30102(e)(1); 11 C.F.R. § 101.1(a).

<sup>14</sup> 52 U.S.C. § 30103(c); 11 C.F.R. § 102.2(a)(2).

17060847407



1 "contribution" and "expenditure" those funds received, and payments made, to determine  
2 whether an individual should become a candidate.<sup>15</sup> "Testing the waters" activities include, but  
3 are not limited to, payments for polling, telephone calls, and travel.<sup>16</sup> An individual who is  
4 "testing the waters" need not register or file disclosure reports with the Commission unless and  
5 until the individual subsequently decides to run for federal office *or* conducts activities that  
6 indicate he or she has decided to become a candidate.<sup>17</sup>

7 Certain activities may indicate that the individual has decided to become a candidate and  
8 is no longer "testing the waters." In that case, once the individual has raised or spent more than  
9 \$5,000, he or she must register as a candidate. Commission regulations set out five non-  
10 exhaustive factors to be considered in determining whether an individual has decided to become  
11 a candidate. Among other things, an individual indicates that he or she has gone beyond "testing  
12 the waters" and has decided to become a candidate by making or authorizing written or oral  
13 statements that refer to him or her as a candidate for a particular office.<sup>18</sup> These regulations seek  
14 to draw a distinction between activities directed to an evaluation of the feasibility of one's

<sup>15</sup> See 52 U.S.C. § 30101(8), (9). The Commission has emphasized the narrow scope of these exemptions to the Act's disclosure requirements. See Explanation and Justification for Regulations on Payments Received for Testing the Waters Activities, 50 Fed. Reg. 9992, 9993 (Mar. 13, 1985) ("The Commission has, therefore, amended the rules to ensure that the 'testing the waters' exemptions will not be extended beyond their original purpose. Specifically, these provisions are intended to be limited exemptions from the reporting requirements of the Act. ...").

<sup>16</sup> 11 C.F.R. §§ 100.72(a), 100.131(a).

<sup>17</sup> See *id.*

<sup>18</sup> 11 C.F.R. §§ 100.72(b), 100.131(b). The other examples set forth in these regulations indicating a person has decided to run for office include: (1) using general public political advertising to publicize his or her intention to campaign for federal office; (2) raising funds in excess of what could reasonably be expected to be used for exploratory activities or undertaking activity designed to amass campaign funds that would be spent after he or she becomes a candidate; (3) conducting activities in close proximity to the election or over a protracted period of time; or (4) taking action to qualify for the ballot under state law. We note that Hall accepted contributions for elections other than the primary while he claimed he was merely contemplating becoming a candidate, which might suggest that he was amassing funds that would be spent after he became a candidate. However, it is unnecessary to reach that issue in this case because Hall's public statements demonstrate that he had decided to run for federal office.



1 candidacy, as distinguished from conduct signifying that a private decision to become a  
2 candidate has been made.<sup>19</sup>

3 There is ample evidence in Hall's reported public statements and materials available on  
4 his social media platforms that he became a federal candidate in February 2015. In early  
5 February 2015, news reports indicated that California Congresswoman Janice Hahn (44<sup>th</sup>  
6 District) would not seek re-election and would instead run for Los Angeles County Supervisor.<sup>20</sup>  
7 Responding to these reports, Hall said:

8 I will wait patiently to hear what she decides to do regarding the upcoming June  
9 2016 election....However, let me be crystal clear. If Congresswoman Hahn  
10 decides not to run for re-election and instead runs for county Supervisor, I will  
11 run for the 44<sup>th</sup> Congressional seat – regardless of who else enters the race. I  
12 will not hesitate and I will enter the race fully focused and determined on  
13 winning it.<sup>21</sup>

14  
15 On February 18, 2015, Hahn announced that she would not seek re-election in 2016 and  
16 immediately endorsed Hall to succeed her.<sup>22</sup> On the same day, Hall announced, "I'm running for  
17 the 44<sup>th</sup> Congressional district seat...."<sup>23</sup> The Federal Committee's first filed report, the 2015  
18 April Quarterly, discloses almost \$150,000 in contributions, with approximately \$20,000  
19 reportedly received on February 17, the day before Hall's announcement.

20 Hall's online presence further confirms that he is a federal candidate. Hall's campaign  
21 website and logo state, "Isadore Hall for Congress," and the current iteration of his website

<sup>19</sup> See Advisory Op. 1981-32 (Askew).

<sup>20</sup> See Emily Cahn, ROLL CALL, *Democrats Start Maneuvering to Succeed SoCal Congresswoman*, Feb. 5, 2015.

<sup>21</sup> See *id.*

<sup>22</sup> See Kyle Cheney and Adam Lerner, POLITICO, *Hahn retiring, will run for L.A. County supervisor*, Feb. 18, 2015.

<sup>23</sup> See Laurel Rosenhall, THE SACRAMENTO BEE, *Isadore Hall to run for Congress*, Feb. 18, 2015.



1 appears to have been operational as early as February 27, 2015.<sup>24</sup> On April 9, 2015, "Isadore  
2 Hall for Congress" published an ad on YouTube that ends with, "Join Me," his campaign logo,  
3 and a partial disclaimer, "Isadore Hall for Congress."<sup>25</sup> In a description statement on his  
4 YouTube channel, Hall states in the first sentence, "Isadore Hall, III is a candidate for  
5 California's 44<sup>th</sup> Congressional District."<sup>26</sup> Hall's Twitter feed has included links to what appear  
6 to be campaign email solicitations and updates that refer to his "campaign for Congress." He  
7 criticizes another announced candidate for the House seat, and other statements include: "I'm  
8 running for Congress because I'm ready to fight in Washington ...;" and "Since launching my  
9 campaign for Congress several months ago, momentum has been growing every day!"<sup>27</sup>

10 Accordingly, we easily conclude that Hall became a federal candidate on February 18,  
11 2015, with his announcement and the Federal Committee's receipt of contributions in excess of  
12 \$5,000 the day before.<sup>28</sup> Hall's belief that he would not be a federal candidate until he chose  
13 between a federal and state election is mistaken. The Act and Commission regulations expressly  
14 contemplate federal candidates simultaneously running for state office.<sup>29</sup>

15 Despite Hall's apparent misunderstanding of the definition of "candidate" within the  
16 meaning of the Act, Hall timely filed his Statement of Candidacy on February 24, 2015, and

<sup>24</sup> See [www.isadorehall.com](http://www.isadorehall.com) (last visited 2/3/16). Compare Attach. 1 (Dec. 20, 2014 homepage) with Attach. 2 (Feb. 27, 2015 homepage).

<sup>25</sup> See [https://www.youtube.com/watch?v=Mq\\_YNASmY0s](https://www.youtube.com/watch?v=Mq_YNASmY0s) (published April 9, 2015) (last visited 12/23/15).

<sup>26</sup> See Attach. 3 (YouTube "description" statement, joined April 8, 2015).

<sup>27</sup> See Attach. 4 (HALL TWEET <https://twitter.com/isadorehall> (Oct. 15, 2015) linking to campaign emails).

<sup>28</sup> 11 C.F.R. §§ 100.72(b)(3), 100.131(b)(3); Factual & Legal Analysis at 8, MUR 6449 (Bruning) (Commission found that solicitation stating "Please help me defeat Ben Nelson in 2012 by making a contribution today....Together we can take back this country and bring true Nebraska values to Washington" demonstrated that Bruning had decided to run for Congress.).

<sup>29</sup> 52 U.S.C. § 30125(e)(1)(B); 11 C.F.R. § 300.62.



1 designated his existing Exploratory Committee as his principal campaign committee. Although  
2 the Exploratory Committee filed timely disclosure reports with the Commission, Hall did not file  
3 an amended Statement of Organization reflecting that his committee was no longer exploratory  
4 until January 14, 2016, even though he was using the new name in his online postings, as  
5 described above. Because Hall became a candidate on February 18, 2015, it was inaccurate for  
6 him to continue using the word "exploratory" in the Committee's title for nearly a year.<sup>30</sup> Thus,  
7 the Committee violated 52 U.S.C. § 30103(c) and 11 C.F.R. § 102.2(a)(2) by untimely amending  
8 its Statement of Organization.

9 **B. Hall Controls an Entity that Accepted a Corporate Contribution**

10 The Act prohibits federal candidates, their agents, and entities established, financed,  
11 maintained, or controlled ("EFMC'd") by federal candidates from soliciting, receiving, directing,  
12 transferring, or spending funds in connection with any election other than an election for Federal  
13 office unless the funds are in amounts and from sources permitted by the Act.<sup>31</sup> The  
14 Commission has concluded that all activities of a ballot measure committee that is directly or  
15 indirectly established, financed, maintained, or controlled by a federal candidate are "in connection  
16 with" any election other than an election for Federal office and, thus, subject to the Act's  
17 restrictions.<sup>32</sup> The Act prohibits the making or receipt of direct contributions using corporate  
18 funds.<sup>33</sup>

<sup>30</sup> Indeed, the Campaign Guide instructs committees to change their names from "exploratory" once the candidate's campaign ends its exploratory phase. *See Campaign Guide for Congressional Candidates and Committees* at 3 (June 2014).

<sup>31</sup> 52 U.S.C. § 30125(e)(1)(B); 11 C.F.R. § 300.62.

<sup>32</sup> Advisory Op. 2003-12 (Stop Taxpayer Money for Politicians Committee) ("AO STMPC") at 5-6; *accord* Participation by Federal Candidates and Officeholders at Non-Federal Fundraising Events, 75 Fed. Reg. 24,375, 24,379 (May 5, 2010). *See also* Advisory Op. 1989-32 (McCarthy) at 6 (concluding pre-BCRA ballot measure activity was campaign related where the ballot measure committee was "inextricably linked" to a candidate running on the same ballot); Advisory Op. 2005-10 (Berman/Doolittle) at 2 (Section 30125(e) does not prohibit federal



1 The name of Hall's Ballot Measure Committee includes a representation that Hall  
2 controls it, and the Response expressly concedes that fact.<sup>34</sup> On March 2, 2015, 12 days after  
3 Hall became a candidate, the Ballot Measure Committee accepted a \$4,100 corporate  
4 contribution.<sup>35</sup> Thus, Hall and the Ballot Measure Committee violated the Act by receiving  
5 funds in connection with an election other than an election for Federal office from a prohibited  
6 source. Further, the "state candidate" exception to 52 U.S.C. § 30125(e)(1)(B) that permits  
7 concurrent state and federal candidates to receive and spend nonfederal funds "solely in  
8 connection with *such* election for State or local office," does not apply by its terms to a ballot  
9 measure committee.<sup>36</sup>

---

candidate from raising funds for a ballot measure committee where the committee was not EFMC'd by a federal candidate and no federal candidates appeared on the same ballot.). As a matter of historical reference, in MUR 6678 (Mindgeek), OGC recommended dismissal of allegations that foreign nationals violated 52 U.S.C. § 30121 by making contributions to a ballot initiative committee because of, *inter alia*, the lack of information suggesting the committee's activity was inextricably linked with the election of any candidate. The Commission split 3-3 on that recommendation.

<sup>33</sup> 52 U.S.C. § 30118.

<sup>34</sup> Resp. at 1.

<sup>35</sup> See <http://cal-access.ss.ca.gov/Campaign/Committees/Detail.aspx?id=1317908&view=received>.

<sup>36</sup> See 52 U.S.C. § 30125(e)(2); 11 C.F.R. § 300.63 (emphasis added). The "state candidate" exception appears to apply, however, to fundraising conducted by Hall's state senate committee, Hall for Senate 2016 ("Hall 2016"), which also has accepted corporate contributions. See <http://cal-access.ss.ca.gov/PDFGen/pdfgen.prg?filingid=1983116&amendid=0> ("July 2015 semi-annual statement"). Since Hall appears to be a candidate for re-election to his state senate office concurrent with his federal candidacy and because we have no reason to question that the contributions received by Hall 2016 are in connection with his state election, the contributions likely qualify for the exemption. Similarly, it appears that \$31,150 in contributions Hall 2016 made to local and state political committees, see <http://cal-access.ss.ca.gov/Campaign/Committees/Detail.aspx?id=1354418&view=contributions&session=2015>, could be permissible because a federal candidate's state campaign committee may donate federally permissible funds to other state and local candidates so long as it uses a "reasonable accounting method" to separate federally permissible funds and makes the donations from those funds. See Advisory Op. 2007-26 (Schock) at 4-5. Hall 2016, which has existed since 2013, appears to have had more than adequate federally permissible funds in its depository to cover the \$31,150 in state and local political contributions, although we do not have information whether it kept the federally permissible funds separate from other funds. See <http://www.cal-access.ss.ca.gov/Campaign/Committees/Detail.aspx?id=1354418&session=2013&view=received&type=monetary> (campaign finance disclosures show Hall 2016 received contributions from individuals in federally permissible amounts since 2013).



1           Regarding the April 6, 2015, \$3,500 contribution from the Viejas Tribal Government, the  
2 tribe appears to be a recognized Indian tribe and, thus, its contribution appears to be permissible  
3 as to source and less than the \$5,000 applicable contribution limit.<sup>37</sup> The April 9, 2015, \$1,000  
4 contribution from Port PAC USA, Long Beach, California, appears to be from an unregistered  
5 political committee, and we have not located any information about the group.<sup>38</sup> During  
6 conciliation, we will seek additional information about the Port PAC contribution and make any  
7 appropriate adjustments to the Commission's opening settlement offer.

8  
9  
10  
11  
12  
13  
14  
15  

---

<sup>37</sup> See <http://viejasbandofkumeyaay.org/modern-government/>; Advisory Op. 2000-05 at 2 (Oneida Nation of New York) (federally recognized Indian tribes are "persons" under the Act and may make lawful contributions). See also 52 U.S.C. § 30116(a)(1)(C) (no person shall exceed \$5,000 in contributions to "any other political committee" in any calendar year); AO STMPC at 12.

<sup>38</sup> On July 30, 2015, the Ballot Measure Committee accepted a \$1,500 contribution from Wine Institute California PAC, an FEC-registered political committee.



**III. RECOMMENDATIONS**

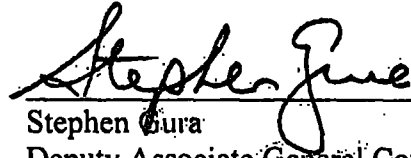
1. Find reason to believe that Isadore Hall III violated 52 U.S.C. § 30125(e)(1)(B);
2. Find reason to believe that Inspiration and Hope for California Ballot Measure Committee Controlled by Senator Isadore Hall and David L. Gould in his official capacity as treasurer violated 52 U.S.C. § 30125(e)(1)(B);
3. Find reason to believe that Hall for Congress f/k/a Hall for Congress Exploratory Committee and David L. Gould in his official capacity as treasurer violated 52 U.S.C. § 30103(c);
4. Approve the attached Factual and Legal Analysis;
5. Enter into conciliation with Isadore Hall III, Inspiration and Hope for California (IH for CA) Ballot Measure Committee Controlled by Senator Isadore Hall and David L. Gould in his official capacity as treasurer, and Hall for Congress f/k/a Hall for Congress Exploratory Committee prior to a finding of probable cause to believe;
6. Approve the attached Conciliation Agreement; and



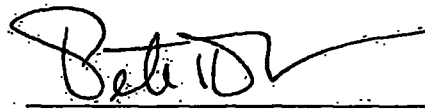
7. Approve the appropriate letters.

2.26.16

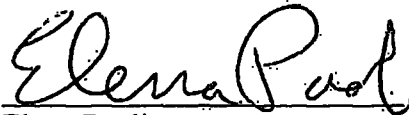
Date



Stephen Gura  
Deputy Associate General Counsel  
for Enforcement



Peter G. Blumberg  
Assistant General Counsel

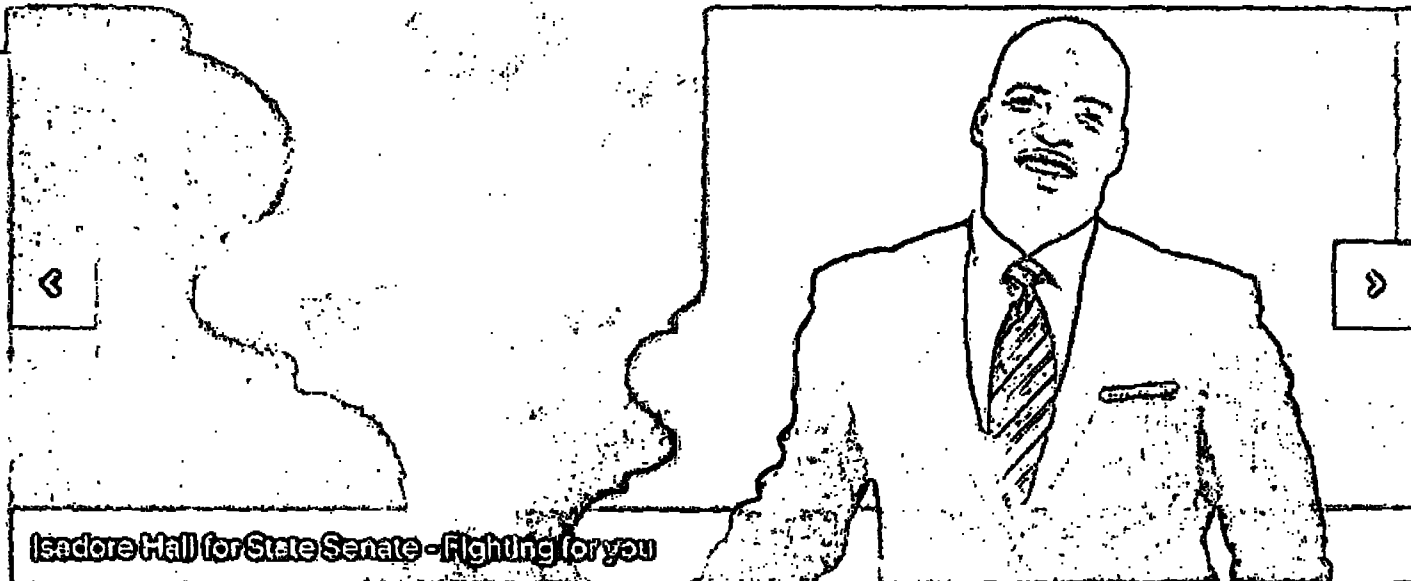


Elena Paoli  
Attorney

Attachments

1. Hall for Congress homepage (Dec. 20, 2014)
2. Hall for Congress homepage (Feb. 27, 2014)
3. YouTube Description Statement
4. Hall Tweets
5. Factual and Legal Analysis





Welcome

We did it!



ISADORE  
HALL

★ FOR CONGRESS ★



Welcome

Attachment

2

Page

of





Website

Isadore Hall



Home Videos Playlists Channels Discussion About

5 subscribers • 1,067 views  
Joined Apr 8, 2015

Description

Isadore Hall, III is a candidate for California's 44th Congressional District.

Hall currently represents California's 35th State Senate District, which includes the communities of Carson, Compton, West Compton, Gardena, Harbor City, Harbor City, Hawthorne, Inglewood, Lawndale, Lennox, Long Beach, Los Angeles, San Pedro, Torrance, West Carson, Watts, Willowbrook, and Wilmington.

Hall previously represented California's 64th Assembly District from 2008 to 2014 and served as the Chair of the Assembly Governmental Organization Committee.

Hall began his career of public service in 2001 when he was elected to the Compton Unified School District Board of Trustees. He served two terms as President of the Board, and in 2003, he was then elected to the Compton City Council where he served in various leadership positions including Mayor Pro Tem. In 2008, Hall was elected to the California State Assembly.

Learn more at: [www.isadorehall.com](http://www.isadorehall.com)

Details

For business inquiries: [View email address](#)

Country: United States

Links

- Website
- Facebook
- Twitter
- Instagram
- Google+

Popular channels

- The Young Turks  
Subscribe
- The Alex Jones Ch...  
Subscribe
- CNN  
Subscribe
- Secular Talk  
Subscribe
- TestTube News  
Subscribe
- Bad Lip Reading  
Subscribe

Page 1 of 1



 **Dr. Isadore Hall, III**  
@isadorehall

TWEETS 3,412  
FOLLOWING 1,062  
FOLLOWERS 4,808  
FAVORITES 329


 Follow



**Dr. Isadore Hall, III** · 10/10/2015 · 10:10 PM

T/y to all the #teamhall donors that made the past quarter a huge success. Here is the latest on the #ca44 campaign: [us7.campaign-archive1.com/?u=8db2db9d8bf...](http://us7.campaign-archive1.com/?u=8db2db9d8bf...)

lin  
to

 Retweet · 1/10/2015 · 10:10 PM



**L.A. Sentinel News** · 10/10/2015 · 10:10 PM

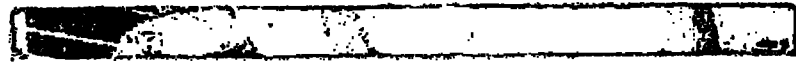
@isadorehall Releases Video Highlighting Barragan's Dream of Buying a Home in Hermosa Beach [lasentinel.net/hall-releases-](http://lasentinel.net/hall-releases-)

View on mobile



**Dr. Isadore Hall, III** · 10/10/2015 · 10:10 PM

A wonderful morning of faith & fellowship w/ @Rep\_JaniceHahn Bishop Ervin & faith leaders throughout the South Bay.



14074700000



Subscribe   Share ▼   Past Issues   Translate ▼   R!

Isadore Hall for Congress

[View this email in your browser](#)

# ISADORE HALL

★ FOR CONGRESS ★

DONATE

## HALL SURPASSES \$741,000 RAISED IN CA-44 BID

**COMPTON, CA—** Today, California State Senator Isadore Hall’s campaign for Congress announced that it surpassed a significant fundraising benchmark— hitting \$741,695 raised for his primary election in California’s 44th Congressional District seat. For the quarter, Senator Hall hauled in a sizable \$196,478 bringing his cash-on-hand to \$496,666.

Upon announcing the campaign’s fundraising numbers, Hall’s Chief Strategist John Shallman stated:

“Today’s robust fundraising report represents a statement from voters in the 44th Congressional District that they want a Congress member from the district— not someone who has lived outside of it for over 20 years. It also demonstrates that residents in the 44th believe that Senator Hall— who has accomplished big changes to improve residents’ lives like passing tough environmental protections such as SB 350, passing drivers licenses for undocumented individuals, the California DREAM Act, healthcare for undocumented children, investments in infrastructure, modernization and diversification efforts by the Port, job creation, and so much more—is the top choice of real people who vote in the district.”

4  
2 68 11



Subscribe

Share ▾

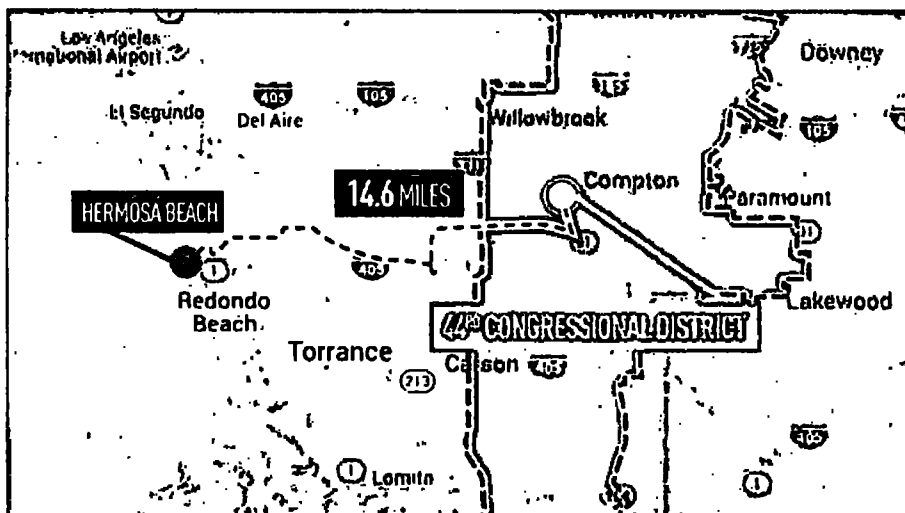
Past Issues

Translate ▾

R:

Just yesterday the Hall for Congress campaign rolled out the following video, titled "DREAM," [click here to watch, in](#) response to months of negative attacks by his opponent, Hermosa Beach City Councilwoman Nanette Barragan.

Her attacks have been sharply denounced by Congresswomen Janice Hahn and Karen Bass along with dozens of local leaders. The *Los Angeles Sentinel Newspaper* describes Barragan as "deceptive", "self-serving" and "disingenuous".



**To view Barragan's original candidate profile video footage from Hermosa Beach TV's YouTube channel from September of 2013, [click here](#).**

Underscoring some of the concerns regarding Ms. Barragan's out-of-district background, the *Los Angeles Sentinel Newspaper*, the oldest African American newspaper on the West Coast, also wrote the following in an Editorial:

"Watts, Compton and Inglewood don't have very much in common with Hermosa Beach where Nanette Barragan resides and the issues facing these communities are drastically different."

According to the Los Angeles County Registrar-Recorder, it wasn't until September 4, 2015 that Ms. Barragan registered to vote in California's 44th Congressional District. Also noteworthy, publicly available reports indicate a long timeline of possible residency records illustrating that Ms. Barragan likely hasn't lived within the 44th District for over 20 years.

2008 – July 2015  
Hermosa Beach, CA

1986 - 2008; 1996-2006  
Torrance, CA\*  
Possible residence\*

2007 – 2008  
Gardena, CA\*

Attachment 4  
Page 3 of 11



Subscribe

Share ▼

Past Issues

Translate ▼

R:

2006-2007

Santa Monica, CA\*

Possible residence\*

2002-2003

San Francisco, CA\*

Possible residence\*

2000-2001

Beverly Hills, CA\*

Possible residence\*

1996-2001

Redondo Beach, CA\*

Possible residence\*

1996-1996

Colorado Springs, CO\*

Possible residence\*

1994-1995

Davis, CA\*

Possible residence\*

Senator Hall was recently elected to California's 35<sup>th</sup> State Senate district, which overlaps with over 60% of California's 44<sup>th</sup> Congressional district. He currently serves as Chair of the Government Oversight Committee. Previously, he served in the State Assembly representing California's 64<sup>th</sup> Assembly district.

For more information, please visit [www.IsadoreHall.com](http://www.IsadoreHall.com).

###

DONATE

Click the links below to show your support and connect with Isadore Hall on social media



Facebook



Twitter



Instagram



Email



Website

Contributions or gifts to Isadore Hall for Congress are not tax deductible.

Federal law requires us to use our best efforts to collect and report the name, address, occupation and name of employer of individuals whose contributions exceed \$200 per election cycle.

Attachment 4  
4 of 11



Subscribe   Share ▼   Past Issues   Translate ▼   R

Paid for by Isadore Hall for Congress

Copyright © 2015 Isadore Hall for Congress, All rights reserved.

[unsubscribe from this list](#)   [update subscription preferences](#)

170444080000

Attachment 4  
Page 5 of 11



# Long Beach List

## Email Campaign Archive

from Isadore Hall for Congress

join our mailing list

17044406091

- 10/28/2015 - San Pedro Democratic Club Endorses Isadore Hall for Congress
- 10/15/2015 - Hall Surpasses \$741,000 Raised in CA44 Bid
- 08/30/2015 - this is important
- 07/31/2015 - It starts with you
- 07/13/2015 - Mexican American Bar Association PAC Backs Hall for Congress
- 07/06/2015 - Isadore Hall Surpasses \$400k Raised in CD-44 Contest
- 07/03/2015 - Leader of Key Statewide Women's Group Picks Isadore Hall for Congress
- 06/29/2015 - My friend Isadore
- 03/12/2015 - Hall Scores Bombshell Endorsement from LA Mayor Garcetti
- 02/19/2015 - Senate pro Tempore Kevin deLeon Endorses Isadore Hall for Congress
- 02/18/2015 - Senator Ricardo Lara & Assemblymember Anthony Rendon Endorse Isadore Hall for Congress
- 02/18/2015 - Isadore Hall Enters Race for CA44 With Janice Hahn's Backing
- 01/29/2015 - Reminder: Senator Isadore Hall, III Community Swearing In Ceremony
- 01/12/2015 - Senator Isadore Hall, III Community Swearing In Ceremony
- 12/18/2014 - Senator Isadore Hall Named Chair of Governmental Org Committee & Vice-Chair of Legislative Black Caucus
- 12/14/2014 - We did it!

Attachment 4  
6 of 11



12/09/2014 - It's Election Day! VOTE Isadore Hall for State Senate

12/07/2014 - Isadore Hall for State Senate GOTV

12/05/2014 - Isadore Hall for State Senate Election Night Celebration

12/05/2014 - Reminder: Isadore Hall for State Senate GOTV Weekend

MailChimp

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28  
29  
30  
31  
32  
33  
34  
35  
36  
37  
38  
39  
40  
41  
42  
43  
44  
45  
46  
47  
48  
49  
50  
51  
52  
53  
54  
55  
56  
57  
58  
59  
60  
61  
62  
63  
64  
65  
66  
67  
68  
69  
70  
71  
72  
73  
74  
75  
76  
77  
78  
79  
80  
81  
82  
83  
84  
85  
86  
87  
88  
89  
90  
91  
92  
93  
94  
95  
96  
97  
98  
99  
100

Attachment 4  
Page 7 of 11



[Subscribe](#)[Share ▾](#)[Past Issues](#)[Translate ▾](#)[R!](#)

Isadore Hall for Congress

[View this email in your browser](#)

# ISADORE HALL

★ FOR CONGRESS ★

DONATE

Dear <<First Name>>,

Our campaign has already had some important milestones – including our recent endorsement from the National Organization for Women in recognition of my longtime commitment to women's rights. But there's still a lot of work ahead of us, and it means a lot to have you on my team.

As the summer winds down, that means the race is heating up. We're facing a big end of month fundraising deadline on Monday night, and falling short will seriously hurt our momentum.

**All eyes are on our campaign – can you make sure our unified strength is clear by contributing before the deadline? Donate now>>**

I'm running for Congress because I'm ready to fight in Washington for the solutions that will make a difference to folks in the 44th district. Whether that's a fair minimum wage, equal pay for equal work, affordable higher education, or creating good paying jobs – there's a lot of work to be done, together.

Your support today is absolutely critical – your contribution will ensure we have

4

8011



Subscribe   Share ▾   Past Issues   Translate ▾   R!

[donate now?](#)

Thank you,

Isadore

DONATE

Click the links below to show your support and connect with Isadore Hall on social media!



Contributions or gifts to Isadore Hall for Congress are not tax deductible.

Federal law requires us to use our best efforts to collect and report the name, address, occupation and name of employer of individuals whose contributions exceed \$200 per election cycle.

Contributions are limited to \$2700 per individual per election.  
The primary and general elections are separate elections, so individuals may give up to a total of \$5400 for both elections.

Paid for by Isadore Hall for Congress

Copyright © 2015 Isadore Hall for Congress, All rights reserved.

[unsubscribe from this list](#)   [update subscription preferences](#)

Attachment 4  
Page 9 of 11



[Subscribe](#)

[Share](#) ▼

[Past Issues](#)

[Translate](#) ▼

[R!](#)

Isadore Hall for Congress

[View this email in your browser](#)

# ISADORE HALL

★ FOR CONGRESS ★

Dear Friend,

Since launching my campaign for Congress several months ago, momentum has been growing every day!

I'm proud to have received over 240 endorsements - from members of Congress, including Congresswoman Janice Hahn, state senators, and state assembly members, and from local elected officials, groups representing working families and women, and our public safety officials. We're off to a strong start on fundraising, raising more money than any other candidate so far.

But there's another important piece of the puzzle: you! People like you are the backbone of this campaign, and I'm asking for your support today.

Will you add your name as a supporter of my campaign today, and take a moment to share what issue you're most concerned about? Add your name here. >>

10-10-11 4



Subscribe   Share ▾   Past Issues   Translate ▾   R!



From job creation and education to tackling the drought and combating gang violence to equal pay for equal work and immigration reform – there are a lot of big issues facing our district, our state, and our country. I'm ready to continue in Washington the work I've done in Sacramento fighting for working families.

I hope you'll take a second to say "I'm in for Isadore," and share your thoughts about the biggest issue facing our district. Add your name now. >>

Thank you,  
Isadore Hall, III

DONATE

Click the links below to show your support and connect with Isadore Hall on social media!



Contributions or gifts to Isadore Hall for Congress are not tax deductible.

Federal law requires us to use our best efforts to collect and report the name, address, occupation and name of employer of individuals whose contributions exceed \$200 per election cycle.

Contributions are limited to \$2700 per individual per election.  
The primary and general elections are separate elections, so individuals may give up to a total of \$5400 for both elections.

Paid for by Isadore Hall for Congress

Copyright © 2015 Isadore Hall for Congress. All rights reserved.

[unsubscribe from this list](#)   [update subscription preferences](#)

4  
11/11/15



1 **FEDERAL ELECTION COMMISSION**

2  
3 **FACTUAL AND LEGAL ANALYSIS**

4  
5 **RESPONDENTS:** Isadore Hall III **MUR 6957**  
6 Hall for Congress f/k/a/ Hall for Congress  
7 Exploratory Committee and David Gould  
8 in his official capacity as treasurer  
9 Inspiration and Hope (IH) for California Ballot  
10 Measure Committee Controlled by  
11 Senator Isadore Hall and David Gould in  
12 his official capacity as treasurer  
13  
14

15 **I. INTRODUCTION**

16 This matter was generated by a complaint filed with the Federal Election Commission  
17 alleging violations of the Federal Election Campaign Act of 1971, as amended (the "Act"), by  
18 Isadore Hall III, Hall for Congress f/k/a/ Hall for Congress Exploratory Committee and David  
19 Gould in his official capacity as treasurer, and Inspiration and Hope for California (IH) Ballot  
20 Measure Committee Controlled by Senator Isadore Hall and David Gould in his official capacity  
21 as treasurer.

22 **II. FACTUAL AND LEGAL ANALYSIS**

23 Isadore Hall III became a representative in the California State Assembly in 2008 and  
24 won a special election to the California State Senate on December 9, 2014.<sup>1</sup> On February 24,  
25 2015, Hall filed a Statement of Candidacy with the Commission for California's 44<sup>th</sup> district  
26 House seat.<sup>2</sup> He designated "Hall for Congress Exploratory Committee" as his principal  
27 campaign committee ("Exploratory Committee").<sup>3</sup> On January 14, 2016, the Exploratory

<sup>1</sup> See <https://www.youtube.com/channel/UCGRADiRO2pCSeT4nj3afNUQ> (Isadore Hall YouTube Channel). See <http://www.latimes.com/local/political/la-me-pc-isadore-hall-state-senate-seat-20141209-story.html>.

<sup>2</sup> See [http://docquery.fec.gov/cgi-bin/fecimg?\\_15950831939+0](http://docquery.fec.gov/cgi-bin/fecimg?_15950831939+0) (Hall Statement of Candidacy).

<sup>3</sup> See *id.*



1 Committee filed an amended Statement of Organization renaming itself Hall for Congress  
2 (“Federal Committee”).

3 The Complaint alleges that Hall controls a California ballot measure committee that  
4 accepted a \$4,100 corporate contribution from Anheuser Busch Companies, Inc., on March 2,  
5 2015, in violation of 52 U.S.C. § 30125(e)(1)(B).<sup>4</sup> The Complaint further alleges that two April  
6 2015 contributions to the Ballot Measure Committee — \$3,500 from Viejas Tribal Government  
7 and \$1,000 from Port PAC USA — also may violate the Act.<sup>5</sup>

8 The Response, filed in October 2015, acknowledges that Hall controls the Ballot Measure  
9 Committee but denies that he violated the Act because Hall is not a federal candidate and instead  
10 is merely “exploring” running for the House.<sup>6</sup> The Response explains that consistent with his  
11 exploratory phase, Hall maintains two campaign committees for the 2016 election, one federal  
12 and one state.<sup>7</sup> The Federal Committee “was [initially] established as an ‘Exploratory  
13 Committee’ and is so named” because Hall has not decided which office he will seek.<sup>8</sup> The  
14 Response also asserts that Hall will not be a candidate for either office until he decides and “files

---

<sup>4</sup> Compl. at 3-4.

<sup>5</sup> *Id.* at 4.

<sup>6</sup> Resp. at 1.

<sup>7</sup> Resp. at 1. David Gould, the treasurer of Hall’s federal and ballot measure committees, and Hall appear to have filed a joint response.

<sup>8</sup> *Id.* The Commission’s records show that Hall’s Federal Committee has been in existence since June 20, 2011. The original Statement of Organization identified Hall as a candidate for California’s 35<sup>th</sup> District House seat. *See* Committee Statement of Organization. (Hall also filed a Statement of Candidacy in 2011 for the 35<sup>th</sup> House District in California.) At the end of both 2012 and 2014, Hall’s Federal Committee reported about \$67,000 in cash on hand. It appears to have collected most of its contributions shortly after registering in 2011 and then made some expenditures and contributions to other committees. Its reports show minimal activity in the 2014 election cycle.



1 nomination papers,” which will not occur until early 2016.<sup>9</sup> The Response reasons that because  
2 Hall is not a federal candidate, neither Hall nor the Ballot Measure Committee has violated the  
3 Act.<sup>10</sup>

4 **A. Hall Became a Candidate in February 2015 but Timely Registered as a**  
5 **Candidate and Disclosed His Committee’s Financial Activity**  
6

7 Under the Act, “an individual who seeks nomination for election, or election, to Federal  
8 office” is a candidate and “shall be deemed to seek nomination for election, or election” when he  
9 or she receives contributions or makes expenditures in excess of \$5,000.<sup>11</sup> Once an individual  
10 meets the \$5,000 threshold, he or she has 15 days to designate a principal campaign committee  
11 by filing a Statement of Candidacy.<sup>12</sup> The principal campaign committee must then file a  
12 Statement of Organization within 10 days of its designation, *see* 52 U.S.C. § 30103(a), and must  
13 file disclosure reports with the Commission in accordance with 52 U.S.C. §§ 30104(a) and (b).  
14 Any change or correction in the information previously set forth on a Statement of Organization  
15 must be reported to the Commission within ten days of the change or correction.<sup>13</sup>

16 The Commission has established limited exemptions from the candidate thresholds,  
17 which permit an individual to test the feasibility of a campaign for federal office without  
18 becoming a candidate under the Act. Commonly referred to as the “testing the waters”

---

<sup>9</sup> Resp. at 1.

<sup>10</sup> *Id.* Alternatively, the Response suggests that if the Commission decides that the Act applies to the Ballot Measure Committee, Hall and the Ballot Measure Committee “will immediately stop soliciting and accepting any funds that are not fully permissible under the ... Act and will promptly refund any funds received during the period deemed to be subject to the Act.” *Id.*

<sup>11</sup> 52 U.S.C. § 30101(2).

<sup>12</sup> 52 U.S.C. § 30102(e)(1); 11 C.F.R. § 101.1(a).

<sup>13</sup> 52 U.S.C. § 30103(c); 11 C.F.R. § 102.2(a)(2).



1 exemptions, 11 C.F.R. §§ 100.72 and 100.131 respectively exclude from the definitions of  
2 “contribution” and “expenditure” those funds received, and payments made, to determine  
3 whether an individual should become a candidate.<sup>14</sup> “Testing the waters” activities include, but  
4 are not limited to, payments for polling, telephone calls, and travel.<sup>15</sup> An individual who is  
5 “testing the waters” need not register or file disclosure reports with the Commission unless and  
6 until the individual subsequently decides to run for federal office *or* conducts activities that  
7 indicate he or she has decided to become a candidate.<sup>16</sup>

8 Certain activities may indicate that the individual has decided to become a candidate and  
9 is no longer “testing the waters.” In that case, once the individual has raised or spent more than  
10 \$5,000, he or she must register as a candidate. Commission regulations set out five non-  
11 exhaustive factors to be considered in determining whether an individual has decided to become  
12 a candidate. Among other things, an individual indicates that he or she has gone beyond “testing  
13 the waters” and has decided to become a candidate by making or authorizing written or oral  
14 statements that refer to him or her as a candidate for a particular office.<sup>17</sup> These regulations seek

<sup>14</sup> See 52 U.S.C. § 30101(8), (9). The Commission has emphasized the narrow scope of these exemptions to the Act’s disclosure requirements. See Explanation and Justification for Regulations on Payments Received for Testing the Waters Activities, 50 Fed. Reg. 9992, 9993 (Mar. 13, 1985) (“The Commission has, therefore, amended the rules to ensure that the ‘testing the waters’ exemptions will not be extended beyond their original purpose. Specifically, these provisions are intended to be limited exemptions from the reporting requirements of the Act. ...”).

<sup>15</sup> 11 C.F.R. §§ 100.72(a), 100.131(a).

<sup>16</sup> See *id.*

<sup>17</sup> 11 C.F.R. §§ 100.72(b), 100.131(b). The other examples set forth in these regulations indicating a person has decided to run for office include: (1) using general public political advertising to publicize his or her intention to campaign for federal office; (2) raising funds in excess of what could reasonably be expected to be used for exploratory activities or undertaking activity designed to amass campaign funds that would be spent after he or she becomes a candidate; (3) conducting activities in close proximity to the election or over a protracted period of time; or (4) taking action to qualify for the ballot under state law. The Commission notes that Hall accepted contributions for elections other than the primary while he claimed he was merely contemplating becoming a candidate, which might suggest that he was amassing funds that would be spent after he became a candidate. However, it is



1 to draw a distinction between activities directed to an evaluation of the feasibility of one's  
2 candidacy, as distinguished from conduct signifying that a private decision to become a  
3 candidate has been made.<sup>18</sup>

4 There is ample evidence in Hall's reported public statements and materials available on  
5 his social media platforms that he became a federal candidate in February 2015. In early  
6 February 2015, news reports indicated that California Congresswoman Janice Hahn (44<sup>th</sup>  
7 District) would not seek re-election and would instead run for Los Angeles County Supervisor.<sup>19</sup>  
8 Responding to these reports, Hall said:

9 I will wait patiently to hear what she decides to do regarding the upcoming June  
10 2016 election....However, let me be crystal clear. If Congresswoman Hahn  
11 decides not to run for re-election and instead runs for county Supervisor, I will  
12 run for the 44<sup>th</sup> Congressional seat – regardless of who else enters the race. I  
13 will not hesitate and I will enter the race fully focused and determined on  
14 winning it.<sup>20</sup>

15  
16 On February 18, 2015, Hahn announced that she would not seek re-election in 2016 and  
17 immediately endorsed Hall to succeed her.<sup>21</sup> On the same day, Hall announced, "I'm running for  
18 the 44<sup>th</sup> Congressional district seat...."<sup>22</sup> The Federal Committee's first filed report, the 2015  
19 April Quarterly, discloses almost \$150,000 in contributions, with \$22,400 reportedly received on  
20 February 17, the day before Hall's announcement.

---

unnecessary to reach that issue in this case because Hall's public statements demonstrate that he had decided to run for federal office.

<sup>18</sup> See Advisory Op. 1981-32 (Askew) at 4.

<sup>19</sup> See Emily Cahn, ROLL CALL, Democrats Start Maneuvering to Succeed SoCal Congresswoman, Feb. 5, 2015.

<sup>20</sup> See *id.*

<sup>21</sup> See Kyle Cheney and Adam Lerner, POLITICO, *Hahn retiring, will run for L.A. County supervisor*, Feb. 18, 2015.

<sup>22</sup> See Laurel Rosenhall, THE SACRAMENTO BEE, *Isadore Hall to run for Congress*, Feb. 18, 2015.



1 Hall's online presence further confirms that he is a federal candidate. Hall's campaign  
2 website and logo state, "Isadore Hall for Congress," and the current iteration of his website  
3 appears to have been operational as early as February 27, 2015.<sup>23</sup> On April 9, 2015, "Isadore  
4 Hall for Congress" published an ad on YouTube that ends with, "Join Me," his campaign logo,  
5 and a partial disclaimer, "Isadore Hall for Congress."<sup>24</sup> In a description statement on his  
6 YouTube channel, Hall states in the first sentence, "Isadore Hall, III is a candidate for  
7 California's 44<sup>th</sup> Congressional District."<sup>25</sup> Hall's Twitter feed has included links to what appear  
8 to be campaign email solicitations and updates that refer to his "campaign for Congress." He  
9 criticizes another announced candidate for the House seat, and other statements include: "I'm  
10 running for Congress because I'm ready to fight in Washington ...;" and "Since launching my  
11 campaign for Congress several months ago, momentum has been growing every day!"<sup>26</sup>

12 Accordingly, the Commission finds that Hall became a federal candidate on February 18,  
13 2015, with his announcement and the Federal Committee's receipt of contributions in excess of  
14 \$5,000 the day before.<sup>27</sup> Hall's belief that he would not be a federal candidate until he chose

---

<sup>23</sup> See [www.isadorehall.com](http://www.isadorehall.com) (last visited 2/3/16). Compare Attach. 1 (Dec. 20, 2014 homepage) with Attach. 2 (Feb. 27, 2015 homepage).

<sup>24</sup> See [https://www.youtube.com/watch?v=Mq\\_YNASmY0s](https://www.youtube.com/watch?v=Mq_YNASmY0s) (published April 9, 2015) (last visited 12/23/15).

<sup>25</sup> See Attach. 3 (YouTube "description" statement, joined April 8, 2015).

<sup>26</sup> See Attach. 4 (HALL TWEET <https://twitter.com/isadorehall> (Oct. 15, 2015) linking to campaign emails).

<sup>27</sup> 11 C.F.R. §§ 100.72(b)(3), 100.131(b)(3); Factual & Legal Analysis at 8, MUR 6449 (Bruning) (Commission found that solicitation stating "Please help me defeat Ben Nelson in 2012 by making a contribution today....Together we can take back this country and bring true Nebraska values to Washington" demonstrated that Bruning had decided to run for Congress.).



1 between a federal and state election is mistaken. The Act and Commission regulations expressly  
2 contemplate federal candidates simultaneously running for state office.<sup>28</sup>

3 Despite Hall's apparent misunderstanding of the definition of "candidate" within the  
4 meaning of the Act, Hall timely filed his Statement of Candidacy on February 24, 2015, and  
5 designated his existing Exploratory Committee as his principal campaign committee. Although  
6 the Exploratory Committee filed timely disclosure reports with the Commission, Hall did not file  
7 an amended Statement of Organization reflecting that his committee was no longer exploratory  
8 until January 14, 2016, even though he was using the new name in his online postings, as  
9 described above. Because Hall became a candidate on February 18, 2015, it was inaccurate for  
10 him to continue using the word "exploratory" in the Committee's title for nearly a year.<sup>29</sup> Thus,  
11 the Committee violated 52 U.S.C. § 30103(c) and 11 C.F.R. § 102.2(a)(2) by untimely amending  
12 its Statement of Organization.

13 **B. Hall Controls an Entity that Accepted a Corporate Contribution**

14 The Act prohibits federal candidates, their agents, and entities established, financed,  
15 maintained, or controlled ("EFMC'd") by federal candidates from soliciting, receiving, directing,  
16 transferring, or spending funds in connection with any election other than an election for Federal  
17 office unless the funds are in amounts and from sources permitted by the Act.<sup>30</sup> The  
18 Commission has concluded that all activities of a ballot measure committee that is directly or  
19 indirectly established, financed, maintained, or controlled by a federal candidate are "in connection

<sup>28</sup> 52 U.S.C. § 30125(e)(1)(B); 11 C.F.R. § 300.62.

<sup>29</sup> Indeed, the Campaign Guide instructs committees to change their names from "exploratory" once the candidate's campaign ends its exploratory phase. *See Campaign Guide for Congressional Candidates and Committees* at 3 (June 2014).

<sup>30</sup> 52 U.S.C. § 30125(e)(1)(B); 11 C.F.R. § 300.62.



1 with” any election other than an election for Federal office and, thus, subject to the Act’s  
2 restrictions.<sup>31</sup> The Act prohibits the making or receipt of direct contributions using corporate  
3 funds.<sup>32</sup>

4 The name of Hall’s Ballot Measure Committee includes a representation that Hall  
5 controls it, and the Response expressly concedes that fact.<sup>33</sup> On March 2, 2015, 12 days after  
6 Hall became a candidate, the Ballot Measure Committee accepted a \$4,100 corporate  
7 contribution.<sup>34</sup> Thus, Hall and the Ballot Measure Committee violated the Act by receiving  
8 funds in connection with an election other than an election for Federal office from a prohibited  
9 source. Further, the “state candidate” exception to 52 U.S.C. § 30125(e)(1)(B) that permits  
10 concurrent state and federal candidates to receive and spend nonfederal funds “solely in  
11 connection with *such* election for State or local office,” does not apply by its terms to a ballot  
12 measure committee.<sup>35</sup>

<sup>31</sup> Advisory Op. 2003-12 (Stop Taxpayer Money for Politicians Committee) (“AO STMPC”) at 5-6; *accord* Participation by Federal Candidates and Officeholders at Non-Federal Fundraising Events, 75 Fed. Reg. 24,375, 24,379 (May 5, 2010). *See also* Advisory Op. 1989-32 (McCarthy) at 6 (concluding pre-BCRA ballot measure activity was campaign related where the ballot measure committee was “inextricably linked” to a candidate running on the same ballot); Advisory Op. 2005-10 (Berman/Doolittle) at 2 (Section 30125(e) does not prohibit federal candidate from raising funds for a ballot measure committee where the committee was not EFMC’d by a federal candidate and no federal candidates appeared on the same ballot.).

<sup>32</sup> 52 U.S.C. § 30118.

<sup>33</sup> Resp. at 1.

<sup>34</sup> *See* <http://cal-access.ss.ca.gov/Campaign/Committees/Detail.aspx?id=1317908&view=received>.

<sup>35</sup> *See* 52 U.S.C. § 30125(e)(2); 11 C.F.R. § 300.63 (emphasis added). The “state candidate” exception appears to apply, however, to fundraising conducted by Hall’s state senate committee, Hall for Senate 2016 (“Hall 2016”), which also has accepted corporate contributions. *See* <http://cal-access.ss.ca.gov/PDFGen/pdfgen.prg?filingid=1983116&amendid=0> (July 2015 semi-annual statement). Since Hall appears to be a candidate for re-election to his state senate office concurrent with his federal candidacy and because the Commission has no reason to question that the contributions received by Hall 2016 are in connection with his state election, the contributions likely qualify for the exemption. Similarly, it appears that \$31,150 in contributions Hall 2016 made to local and state political committees, *see* <http://cal-access.ss.ca.gov/Campaign/Committees/Detail.aspx?id=1354418&view=contributions&session=2015>, could be



1           Regarding the April 6, 2015, \$3,500 contribution from the Viejas Tribal Government, the  
2       tribe appears to be a recognized Indian tribe and, thus, its contribution appears to be permissible  
3       as to source and less than the \$5,000 applicable contribution limit.<sup>36</sup> The April 9, 2015, \$1,000  
4       contribution from Port PAC USA, Long Beach, California, appears to be from an unregistered  
5       political committee. The Commission lacks sufficient information about the group to make a  
6       finding about its contribution to the Ballot Measure Committee.<sup>37</sup>

7           Therefore, the Commission finds reason to believe that Isadore Hall III and Inspiration  
8       and Hope (IH) for California Ballot Measure Committee controlled by Isadore Hall and David  
9       Gould in his official capacity as treasurer have violated 52 U.S.C. § 30125(e) and Hall for  
10      Congress f/k/a Hall for Congress Exploratory Committee and David Gould in his official  
11      capacity as treasurer have violated 52 U.S.C. § 30103(c).

---

permissible because a federal candidate's state campaign committee may donate federally permissible funds to other state and local candidates so long as it uses a "reasonable accounting method" to separate federally permissible funds and makes the donations from those funds. *See* Advisory Op. 2007-26 (Schock) at 4-5. Hall 2016, which has existed since 2013, appears to have had more than adequate federally permissible funds in its depository to cover the \$31,150 in state and local political contributions, although the Commission does not have information whether it kept the federally permissible funds separate from other funds. *See* <http://www.cal-access.ss.ca.gov/Campaign/Committees/Detail.aspx?id=1354418&session=2013&view=received&type=monetary> (campaign finance disclosures show Hall 2016 received contributions from individuals in federally permissible amounts since 2013).

<sup>36</sup>       *See* <http://viejasbandofkumeyaay.org/modern-government/>; Advisory Op. 2000-05 at 2 (Oneida Nation of New York) (federally recognized Indian tribes are "persons" under the Act and may make lawful contributions). *See also* 52 U.S.C. § 30116(a)(1)(C) (no person shall exceed \$5,000 in contributions to "any other political committee" in any calendar year); AO STMPC at 12.

<sup>37</sup>

On July 30, 2015, the Ballot Measure Committee accepted a \$1,500 contribution from Wine Institute California PAC, an FEC-registered political committee.